

***Managing Sponsored Research at Berkeley Lab
Processes Related to Establishing and Managing Awards***

***Invoice Payment and Collections
Summary Roles and Responsibilities***

Invoice Payment and Collections: All invoices sent to the sponsors are due upon receipt. Berkeley Laboratory is dedicated to working with the Sponsor to assure timely payment of invoices and maintain compliance with DOE's Orders and Accounting Handbook.

Principal Investigator:

Works with Sponsored Projects Office, Division Analyst, and Accounts Receivable to resolve problems with slow and nonpayment (collection) of invoices.

Division Analyst:

Provides information and prepares documents to resolve cost overruns.

Works with PI, SPO Contracts Officer, and Accounts Receivable to resolve problems with slow and nonpayment (collections) of invoice payments.

Will close projects in order to suspend work due to nonpayment of invoices at the request of Accounts Receivable and Sponsored Projects Office.

Controller/Accounts Receivable:

Assists the Principal Investigator and Division Analyst with procedural questions regarding invoicing, payments, and cash management.

Prepares invoices and sends to sponsors.

Receives payments from sponsors and applies them to the invoice.

Works with PI, SPO, and Division Analysts to resolve problems with slow and nonpayment (collection) of invoices.

Sponsored Projects Office:

Works with PI, Accounts Receivable, and Division Analysts to resolve problems with slow and nonpayment (collection) of invoices.

Works with PI, Division Analysts, Accounts Receivable and the Sponsor regarding potential suspension of work if invoices are not paid in a timely fashion. Will suspend work if Sponsor does not pay invoices.

Managing Sponsored Research at Berkeley Lab		
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<u>Definition of Roles & Responsibilities</u>		
<u>Invoice Payments and Cash Management</u>		
		Final 3/31/04
<i>The Roles and Responsibilities applies too all Sponsored Research including Work for Others, CRADAs, Users, Gifts (as applicable) and DOE M&O activities.</i>		
Invoice Payments and Cash Management		
Receiving and Processing Sponsor Invoice Payments (including scheduled prepayments)		
Division	Sponsored Projects Office	Controller
		CHECKS: AP receives and logs all checks then delivers them to GA. Payment is released by AR to the appropriate invoice(s). Invoice number(s) may be referenced on the check.
		WIRE: Wire payment is received by GA. The invoice number(s) and/or the award no. maybe noted in the comments attached to the wire. AR releases payment to the referenced invoice(s).
		Invoices are printed five working days after the billing run and then mailed. The invoice is due and payable upon receipt.
		30 Days Past Due (30 days past the original invoice date): If payment not received , first dunning notice mailed to sponsor. AR calls Sponsor.

Collections: Following Up with Sponsors on Unpaid Invoices (including scheduled payments)		
Division	Sponsored Projects Office	Controller
		60 Days Past Due (60 days past the original invoice date): Second notice mailed to sponsor. AR Manager contacts sponsor by telephone to resolve payment issues.
		Based on outcome of conversation with Sponsor, AR notifies responsible SPO CO and Division Analyst if there are unresolved collections issues.
The SPO CO, PI and Division Analyst work together to coordinate the contact with the sponsor to resolve payment issues. Records information in BAR Conversations Panel and informs AR via email.		
		90 Days Past Due (90 Days since original invoice date): AR Sends out Final Dunning Notice to Sponsor.
		AR will notify responsible SPO CO & the Resource Analyst of awards that have not paid for 90 days.
	COLLECTONS: SPO will issue a notice (in writing via fax) to the Sponsor stating if payment is not received by the end of the month (include date), work on the award will be suspended. Work will commence when all invoices are paid.	

Collections: Following Up with Sponsors on Unpaid Invoices (including scheduled payments)		
Division	Sponsored Projects Office	Controller
		120 Days Past Due (120 Days since the original Invoice sent): AR will notify the responsible SPO CO & the Resource Analyst that work needs to be suspended and the associated projects need to be closed effective the first day of the following month if the Sponsor has not paid.
	SPO will issue a notice (in writing via fax) to the Sponsor that the work on the award has been suspended and a termination notice will be sent in 30 days if the payment(s) have not been received.	
Resource Analyst will close the Projects on the first working day of the following month.		
		150 Days Past Due (150 days since original invoice date): AR Manager to follow up with the Sponsor to collect payments.
		Once past due invoice payments have been received, AR to notify SPO and Budget Analyst. Budget Analyst can reopen Projects and the work can commence. OR

		If AR cannot collect payments, they notify the responsible SPO CO and Resource Analyst that the PI should be notified that the award will be terminated and will be referred to DOE for collections by 180 Past Due.
	SPO will issue a termination notification (in writing via fax) to the Sponsor on the 150th day (first of the month) that the award is terminated on the 165th day (15th of the month).	
Collections: Following Up with Sponsors on Unpaid Invoices (including scheduled payments)		
180 Days past due goes to DOE Chicago Operations Office unless uncollected funds are covered by UC Bridge Funding. If covered by UC Bridge Funding then LBNL is responsible for the collection from the Sponsor and the 180 day rule doesn't apply until LBNL deems it is uncollectable.		
AR, SPO CO, Division Scientific Management, PIs and divisional administrative personnel assess if sponsor will make payment. Based on their decision, SPO will issue an amendment to terminate the agreement or Bridge Funding will be formally requested by the Division.		
Division	Sponsored Projects Office	Controller
		180 Days Past Due (180 days since original invoice date): AR Supervisor determines that the collection action should go to DOE. AR Notifies SPO CO and the Divisional Resource Analyst of the decision.
		AR will notify responsible SPO CO & the Resource Analyst when a collection is paid.
<i>The Committee recommends that a policy be developed regarding the recommencement of work with Sponsors that consistently do not pay their invoices on time or leave the Lab with negative cash balance.</i>		